

Message Text

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11

ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 EA-07 IO-13 ISO-00 FEA-01 AGR-05

CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02

OMB-01 /115 W

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R 211815Z APR 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC 7108

INFO AMEMBASSY BRASILIA

AMEMBASSY MADRID

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION GENEVA

USDEL MTN GENEVA

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E. O. 11652: N/A

TAGS: ETRD, IT

SUBJ: PRESIDENT'S DECISION ON FOOTWEAR: ITALIAN REACTION

REF: STATE 92903

BEGIN UNCLASSIFIED.

SUMMARY. ITALIAN PRESS REACTION TO PRESIDENT FORD'S CHOICE
OF ADJUSTMENT ASSISTANCE INSTEAD OF TARIFF MEASURES ON IMP-
ORTED FOOTWEAR LIMITED IN EXTENT BUT PREDICTABLY FAVORABLE.
IMPORTANCE OF DECISION FOR ITALY EMPHASIZED; AS WELL,
DECISION SEEN CALMING EUROPEAN FEARS OF U.S. "PROTECTIONISM".

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LITTLE OFFICIAL REACTION CARRIED BY ITALIAN MEDIA BUT
ITALIAN OFFICIALS CONTACTED BY EMBASSY UNIFORMLY PLEASED.

PRESS COMMENT LINKS PRESIDENTIAL DECISION TO CONCERN FOR ITALIAN POLITICAL SITUATION. END SUMMARY.

1. DESPITE IMPORTANCE TO ITALY OF PRESIDENT'S APRIL 16 DECISION IN FAVOR ADJUSTMENT ASSISTANCE TO US FOOTWEAR INDUSTRY, GENERAL ITALIAN PRESS COVERAGE WAS SURPRISINGLY PERFUNCTORY (PRESUMABLY DUE IN PART TO EASTER HOLIDAY SEASON). EXCEPTIONS WERE ECONOMIC PRESS AND FLORENCE DAILY LA NAZIONE (FLORENCE IS CENTER OF ITALIAN FOOTWEAR PRODUCTION). WITHOUT EXCEPTION PRESS SALUTED PRESIDENTIAL DECISION AND EMPHASIZED BENEFITS FOR ITALIAN FOOTWEAR INDUSTRY AND EXPORTS. POINT MADE THAT ITALY IS THE MAIN BENEFICIARY SINCE ITALY IS LARGEST EXPORTER AND THAT FOOTWEAR AMONG PRINCIPAL ITALIAN EXPORTS TO U.S. ECONOMIC PRESS DESCRIBED AS WELL GENERAL EFFECT OF FOOTWEAR IMPORTS ON U.S. DOMESTIC FOOTWEAR INDUSTRY AND POINTED OUT THAT PRESIDENTIAL DECISION MADE IN FACE OF DETERMINED U.S. UNION OPPOSITION AND THAT IT OVERRULED MAJORITY OF INTERNATIONAL TRADE COMMISSION.

2. COMMENTARY BY ITALIAN PRESS STRESSED SIGNIFICANCE OF DECISION IN CONTEXT OF SERIES OF U.S. INDUSTRY ACTIONS AIMED AT SECURING PROTECTION AGAINST IMPORTS, POINTING OUT THAT THE DECISION EASES FOREIGN FEARS OF A PROTECTIONIST TREND IN THE U.S. COMMENTS IN TEXT RE OPEN WORLD TRADING SYSTEM NOTED APPROVINGLY. SOME ARTICLES ASSERTED THIS DECISION WILL HAVE A POSITIVE EFFECT ON THE GENEVA MTN NEGOTIATIONS.

3. SOME PRESS COMMENTATORS FOUND LINKAGE BETWEEN THE PRESIDENTIAL DECISION ON FOOTWEAR AND POLITICAL CONSIDERATIONS. LEFT-LEANING MILAN DAILY LA REPUBBLICA COMMENTED ON THE POLITICAL IMPORTANCE OF THE COUNTRIES POTENTIALLY AFFECTED BY ANY TARIFF MEASURES AS IMPORTANT TO U.S. DIPLOMACY. MORE AMBITIOUS WAS MILAN DAILY IL GIORNALE'S COMMENTATOR MAURO LUCENTINI, WHO, AFTER QUOTING TREASURY UNDER SECRETARY YEO RE U.S. PLEDGE TO MAINTAIN FREE TRADE EVEN AT CONSIDERABLE SACRIFICE TO THE U.S., WENT ON TO DEFINE THE DECISION AS PART OF A POSSIBLE NEW U.S. QTE MARSHALL PLAN UNQTE FOR ITALY, STIMULATED BY USG FEARS LIMITED OFFICIAL USE
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FOR THE ITALIAN POLITICAL SITUATION. ADDITIONAL ELEMENT IN LUCENTINI'S STRUCTURE WAS OECD SECURITY NET. END UNCLASSIFIED.

4. INDUSTRY REACTION OBTAINED BY AMCONSUL FLORENCE WAS ONE OF UNIVERSAL RELIEF. OFFICIAL GOI REACTION NOT RPT NOT CARRIED BY ITALIAN PAPERS EXCEPT FOR COMMENTS TO IL GIORNALE BY DIRECTOR OF OFFICIAL GOI'S NEW YORK TRADE PROMOTION OFFICE WHO SAID DECISION IS "DECISIVE FOR ENTIRE FRAMEWORK OF ITALO-AMERICAN ECONOMIC RELATIONS, BEYOND THAT OF SIMPLE COMMERCIAL INTERCHANGE". GOI OFFICIALS

TELEPHONED BY EMBOFFS WITH NEWS (MINISTRY OF FOREIGN TRADE
DIRECTOR FOR INTERNATIONAL AGREEMENTS SIMEONE, MINISTRY
OF FOREIGN AFFAIRS VICE-DG FOR ECONOMIC AFFAIRS
RICCIULLI AND PRESIDENT'S FOREIGN AFFAIRS ADVISOR
PETRIGNANI) UNIVERSALLY AND PREDICTABLY HAILED PRESIDENTIAL
DECISION; "A FINE PIECE OF NEWS" ACCORDING TO
SIMEONE.VOLPE

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Message Attributes

Automatic Decaptioning: X
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Concepts: FOOTWEAR, IMPORTS, POLICIES, PRESS COMMENTS
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Draft Date: 21 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
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04 MAY 2006

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